10. SUPPORTING THE WORLD'S STRONGEST MILITARY FORCE

I want America to enter the 21st Century as the world's strongest force for peace, freedom and prosperity.

President Clinton October 1996

Our defense capability sustains America's global leadership and provides the backbone of our national security policy, safeguarding America's interests, deterring conflict, and securing the peace, where necessary.

- When America's diplomatic leadership helped achieve the Dayton Peace Accord, our military led the effort that has brought a year of peace in Bosnia. With our NATO, central European, and Russian partners, our military continues to secure the Bosnian accord.
- America's armed forces remain in the Persian Gulf, deterring war in that critical region of the world.
- In Asia and the Pacific region, U.S. military forces provide the critical foundation for peace, security, and stability, in partnership with Japan and other nations.
- In our own region, America's soldiers have supported the return of democracy in Haiti and helped end the exodus of refugees to our shores.

To fulfill such missions, support our allies, and reassure our friends that America is prepared to use force in defense of our common interests, our armed forces must be highly ready and armed with the best equipment that technology can provide. In the 21st Century, we also must be prepared and trained for new post-Cold War threats to American security, such as ethnic and

required conflicts that undermine stability. Some of these post-Cold War threats, such as the proliferation of weapons of mass destruction, terrorism, and drug trafficking, know no national borders and can directly threaten our free and open society.

Sustaining a Strong Military Capability

The United States is the only nation with the logistics, mobility, intelligence, and communications capabilities required to conduct large-scale, effective military operations on a global scale. Coupled with our unique position as the security partner of choice in many regions, America's military capability provides a foundation for regional stability through mutually beneficial partnerships.

The budget continues to support the defense policy laid out by the Administration over the past four years—to sustain and modernize the world's strongest and most ready military force, a force capable of prevailing in two nearly simultaneous regional conflicts. It fully funds our commitment to maintain the highest levels of training and readiness for that force, and to equip our uniformed men and women with the most advanced technologies in the world (see Table 10-1). The Quadrennial Defense Review, now underway in the Department of Defense (DOD), will ensure that the armed forces are shaped, trained, and armed for emerging threats and missions, and remain capable of global military operations in the next century.

	Cold War (1990)	1998	Force Target
Army:			
Divisions (active/National Guard)	18/10	10/8 1	10/8 1
Air Force:			
Fighter wing (active/reserve)	24/12	13/7	13/7
Navy:			
Aircraft carriers (active/training)	15/1	11/1	11/1
Air wings (active/reserve)	13/2	10/1	10/1
Total battle force ships 2	546	346	330-346
Marine Corps:			
Divisions (active/reserve)	3/1	3/1	3/1
Wings (active/reserve)	3/1	3/1	3/1
Strategic nuclear forces:			
Intercontinental ballistic missiles/warheads	1,000/2,450	550/2,000	500/5003
Ballistic missile submarines	31	18	143
Sea-launched ballistic missiles/warheads	568/4,864	432/3,456	336/not
			over 1,750
Heavy bombers	324	87 ⁴	92 4
Military personnel:			
Active	2,069,000	1,431,000	1,422,000
Selected reserve	1,128,000	892,000	889,000

¹ Plus 15 enhanced readiness brigades.

Providing the Necessary Funding

For the Defense Department's military functions, the budget proposes discretionary funding of \$251.6 billion in budget authority and \$248.4 billion in outlays for 1998. Through 2002, the budget continues the Administration's plan of the last four years, completing the careful resizing of our military forces, ensuring full support for military readiness and quality of life programs in the nearterm, and providing for the modernization of our forces as new technologies become available later in this decade and after the turn of the century.

DOD funding keeps pace with inflation in 1999, and then increases slightly faster than inflation through 2002. Over this period, the budget reflects the impact of marginally lower estimates of inflation, offset by increases in procurement programs necessary to ensure

the continued modernization of our military forces.

The budget also proposes \$2 billion in 1997 emergency supplemental appropriations to fund continuing operations in Bosnia and Southwest Asia, and a \$4.8 billion rescission of 1997 defense resources to offset the cost of the supplemental and other funding requirements.

Ensuring the Nation's Security

Expanding Arms Control.—The President is strongly committed to reducing the threat of weapons of mass destruction through arms control agreements. Over the past four years, the Administration has worked hard to implement the START I treaty, indefinitely and unconditionally extend the Nuclear Nonproliferation Treaty, obtain the signing of the Comprehensive Test Ban Treaty (CTBT), and

²Includes active and reserve ships of the following types: aircraft carriers, surface combatants, submarines, amphibious warfare ships, mine warfare ships and combat logistics force and other support ships.

³Upon entry-into-force of START II.

⁴Does not include 95 B-1 bombers dedicated to conventional missions.

achieve a Conventional Forces in Europe (CFE) Flank Agreement and terms of reference for follow-on CFE adaptation. The START II treaty, which the Senate approved 87 to 4 on January 26, 1996, awaits approval by the Russian Republic. Following Russian acceptance, implementing this treaty in combination with START I will reduce the number of warheads deployed on long-range missiles and bombers to a third of the Cold War level and will eliminate all land-based, multiple-warhead ICBMs.

Securing the Senate's support of the Chemical Weapons Convention (CWC) is one of the President's top legislative priorities for this year. It is vital to national security for the United States to be an original party to this landmark agreement, which will become effective on April 29, 1997. The CWC will dramatically reduce the chemical threat to U.S. servicemembers and civilians by requiring parties to eliminate existing stockpiles and restricting the flow of dualuse chemicals that can be used to make chemical weapons. Furthermore, a global ban on the use, production, stockpiling, and transfer of anti-personnel landmines remains a Presidential priority.

Reducing Weapons of Mass Destruction in the Former Soviet Union.—The Cooperative Threat Reduction program (also called the Nunn-Lugar program) has made a major contribution to U.S. security by ensuring a safe and speedy relocation and dismantling of nuclear forces in the former Soviet Union. The budget proposes \$382 million to continue this important program in 1998.

Countering Proliferation of Weapons of Mass Destruction.—The budget also proposes almost \$600 million to develop capabilities to locate and neutralize weapons of mass destruction before they can be used, and to protect our troops against their effects. High-priority efforts include developing the means to identify and destroy underground storage sites, and methods to detect and track weapons shipments. Key efforts to protect troops against chemical and biological agents include developing advanced detection devices, vaccines, and protective clothing.

Maintaining the Nation's Nuclear Deterrent: The budget proposes \$5.1 billion in 1998, and \$20.1 billion over the next five years, for

the Department of Energy (DOE) to ensure the safety and reliability of our nuclear weapons stockpile. The \$20.1 billion reflects the President's commitment to \$4 billion a year for five years. The year-to-year stream in the budget reflects full "up-front funding" for major construction projects, which allocates a larger share of the total cost to 1998 and lower costs to later years. DOE will continue building new facilities to ensure safety and reliability without underground testing. The President is committed to the CTBT, which would prohibit all nuclear testing and which he signed in September at the United Nations. The Administration plans to submit the treaty to the Senate for ratification.

Developing and Deploying Defenses Against Tactical Ballistic Missiles.—With over \$2 billion in proposed funding for 1998, the Administration's Theater Missile Defense (TMD) program will provide defenses against missiles that directly threaten American and allied ground, naval, and air forces deployed abroad. Funding for TMD supports initial procurement of an advanced version of the Patriot missile, as well as development of advanced systems to meet future threats.

Developing Technologies to Defend Against Strategic Ballistic Missiles.—The budget proposes \$0.5 billion in 1998 for a vigorous effort to develop the elements of a national missile defense system to protect the United States. Although we do not need such a system now, the development of a contingency capability will ensure that deployment could proceed rapidly, if a missile threat to the United States should emerge sooner than our intelligence community now estimates. A decision now to force early deployment would not only waste billions of dollars, it would force adoption of immature technologies that are unlikely to provide an effective defense.

Ensuring Successful Contingency Operations.—U.S. forces have provided leadership in contingency operations that support American interests—from monitoring U.N. sanctions on Iraq, to permitting the return of democracy to Haiti, to implementing the Dayton Peace Accord in Bosnia. The budget funds ongoing contingency operations in Southwest Asia and Bosnia. Congressional approval of these funds would allow DOD to avoid redirecting funds

from operations and maintenance programs to these operations, thereby maintaining our force's high level of readiness.

Though Congress provided funding for contingency operations in 1997, unfunded 1997 costs (mainly for Bosnia) total about \$2 billion. To fund them, the budget proposes a 1997 emergency supplemental appropriation. The budget also proposes \$2.2 billion for the cost of contingency operations in 1998. Of the \$2.2 billion, \$0.7 billion is included in the Services' operation and maintenance accounts for ongoing operations in Southwest Asia, and the remaining \$1.5 billion is included in the Overseas Contingency Operations Transfer Account for operations in Bosnia.

Providing Humanitarian and Disaster Assistance.—The unique capabilities and global presence of U.S. forces often dictate that DOD respond to international disasters and human tragedies. Such responses may occur at the direction of U.S. commanders who have the only assets in place to respond quickly to a regional problem, or at the President's direction when he determines that DOD is the appropriate agency to provide U.S. support. The proposed \$80 million for the Overseas Humanitarian, Disaster, and Civic Aid account would allow DOD to provide support without diverting readiness-related resources from their intended use.

Establishing Information Dominance.—Our preeminence in information technology has helped us field the world's strongest military force. The Administration seeks to preserve information dominance in order to support our military operations and national security strategy.

Intelligence is critical to information dominance, and it continues to play a large role in both military operations and national security decision-making. This year's intelligence budget is guided by explicit intelligence priorities that the President established for the post-Cold War era.

A new intelligence initiative exemplifies the Administration's efforts. The National Reconnaissance Office will develop a new generation of smaller intelligence satellites that will increase coverage and permit greater operational flexibility. Also, this budget is the first to provide funds for the newly established National Imagery and Mapping Agency (NIMA), which will consolidate disparate imagery processing and mapping activities throughout DOD and the Central Intelligence Agency. NIMA will more efficiently use imagery resources and ensure that imagery products are more responsive to military commanders and civilian decision-makers.

Maintaining Military Readiness

Ensuring Adequate Resources for Readiness.—Maintaining the readiness and sustainability of U.S. military forces remains the Administration's top defense priority. The budget provides full funding for operations and support programs critical to sustaining the military's current high readiness levels. These programs include unit training activities, recruiting and retention programs, joint exercises, and equipment maintenance.

DOD continues to improve its capacity to assess current and future military readiness, particularly through the Senior Readiness Oversight Council and the Joint Monthly Readiness Review process. These efforts enhance DOD's ability to ensure that critical readiness programs receive sufficient resources and that our forces remain prepared to accomplish their missions.

Enhancing Quality of Life of Military Personnel.—The Administration strongly supports quality of life programs that help attract and retain motivated and enthusiastic high-quality personnel. The budget continues this commitment by providing a 2.8 percent military pay raise, effective January 1998, and substantial funding to continue upgrading and improving barracks and family housing.

Protecting our Forces and Combating Terrorism.—The protection of U.S. service members, whether deployed or at home, against the threat of terrorism is a fundamental task of our defense planning. The terrorist attack against U.S. forces at Khobar Towers in Saudi Arabia reminded all Americans of the increasing terrorist threat that we face—at home and abroad. In light of the threat, the Administration amended the 1997 budget to propose \$1 billion for anti-terrorism programs across the Federal Government, which Con-

gress approved. The DOD portion, \$350 million, consisted of specific Persian Gulf security measures; general overseas facilities and force protection upgrades; and training, awareness, and other programs designed to combat terrorism.

The budget fully funds DOD's anti-terrorism/ force protection program at \$4.5 billion. The funds are designed to improve our preparedness to respond to a terrorist attack that employs weapons of mass destruction, and they will enable DOD to initiate a sweeping vulnerability assessment program to identify and respond to force protection needs beyond those already identified and funded.

Modernizing Our Military Forces

Modernizing Equipment.—As the armed forces prepare to enter the 21st Century, modernizing U.S. military hardware is a central goal of our defense budget planning. The next generation of military equipment promises to provide greater combat capabilities, and enhance the readiness of our forces. Most important, the marked technological advantage of the next generation will mean fewer casualties and a quicker resolution of conflict.

Providing Adequate Modernization **Funding.**—The budget proposes that procurement funding grow, in real terms, by over 40 percent from 1998 to 2002. Critical modernization programs that are now in production would continue-including DDG-51 guidedmissile destroyers and precision munitions such as the Joint Standoff Weapon. Low-rate production of Marine Corps V-22 aircraft and the Navy's multi-role F/A-18E/F fighter would continue in 1998. Initial procurement of the Navy's New Attack Submarine would begin in 1998, and low-rate production of the Air Force's F-22 Advanced Tactical Fighter would begin in 1999. Full-rate production of the V-22, F/A-18E/F, and the F-22 would start at, or near, the turn of the century. DOD would modernize and improve U.S. mobility forces through continued acquisition of large, medium speed roll-on/roll-off sealift ships and the highly capable C-17 strategic airlift aircraft.

Providing Modernization for the Long-Term.—The budget proposes major investments in research and development for advanced systems that would enter production in the middle of the next decade. The Air Force, Navy, and Marine Corps are developing a Joint Strike Fighter as a cost-effective replacement for today's tactical fighter and attack aircraft. Other major weapons in development include the Army's Comanche helicopter, a new surface ship for the Navy, and an advanced amphibious-assault vehicle for the Marine Corps.

Managing Our Defense Resources More Efficiently

As we shape U.S. defense strategy for managing conflict and ensuring peace in the post-Cold War era, the Nation also must develop new, innovative approaches to managing our defense program. DOD is launching various efforts to meet this challenge, which would help ensure that we can afford our defense program.

Redesigning Military Strategy.—As the 1997 Defense Authorization Act requires, the Quadrennial Defense Review will reassess current defense strategy and the defense program in light of U.S. interests, fiscal constraints, and emerging new technologies. Areas that it will review include force structure, readiness, modernization, and infrastructure. The law requires that DOD report the results of this review by May 15, 1997.

Implementing the Information Tech-Management Act nology Reform (ITMRA).—By implementing ITMRA, DOD will bring modern command, control, communications, and computing systems into operational use. DOD is restructuring work processes and applying modern technology to improve performance and cut costs. In addition, DOD's new Chief Information Officer is establishing information technology investment criteria and performance measures to ensure that DOD's \$10 billion investment in information technology and processes produces measurable results and a significant return on investment. For example, DOD's Office of Health Affairs and the Defense Logistics Agency have used information technology to enable them to work with commercial suppliers to significantly reduce supply delivery times and on-hand DOD stocks, thus greatly cutting costs.

Implementing Base Closure and Realignment.—Since 1988, four Base Closure and Realignment Commissions have approved the elimination of about 20 percent of our defense infrastructure (recommending the closure of 97 out of 495 major military installations and over 200 smaller installations). The \$5.6 billion in projected annual savings (after all closure activities are completed by 2001) would help fund the modernization of our military forces. To achieve these savings, the budget fully funds the implementation of the final recommendations of the 1995 Base Closure and Realignment Commission.

Improving Financial Management.—The Administration remains committed to reforming DOD's financial management activities and systems. DOD must overcome major impediments to create an effective agency-wide accounting system structure and to produce auditable financial statements. It has, however, taken steps to improve its financial management in such areas as problem disbursements, contractor overpayments, fraud detection and controls, and standardized accounting systems. For example, DOD has cut the category known as problem disbursements from a total of \$51.2 billion in June 1993 to \$18.1 billion in June 1996.

Streamlining the Civilian Work Force.—DOD will continue to streamline its civilian work force while maintaining its quality. The

budget reflects a cut of almost 218,000, or about 25 percent, in DOD civilian positions from 1993 to 1999. Consistent with the principles of the Vice President's National Performance Review, DOD is reducing headquarters, procurement, finance, and administrative staffs.

Implementing the Government Performance and Results Act (GPRA).—DOD continues to incorporate performance evaluation into its decision-making for such broad-based programs as weapons purchases, transportation methods, and inventory control. It has designated seven programs as demonstration projects to provide a blueprint for full GPRA implementation.

Using the Private Sector for Support Functions.—To cut costs and make operations more efficient, the Commission on Roles and Missions of the Armed Forces recommended that DOD increase its use of the private sector to provide support functions. In August 1995, the Deputy Secretary of Defense established an Integrated Product Team for Privatization, which now includes senior representatives from the military departments, defense agencies, OMB, and the Secretary's staff. Also, DOD and OMB are working together to develop competition, outsourcing, and other privatization initiatives by forming an interagency Senior Policy Group for Privatization.